| IN THE MATTER OF IN          | TEREST ARBITRATION  CEO I Sector |
|------------------------------|----------------------------------|
| BETWEEN                      | ) 2002 JUH - 3 AM II: 05         |
| POTTAWATTAMIE COUNTY, IOWA,  | ) ) Hugh J. Perry, Arbitrator    |
| PUBLIC EMPLOYER,             | ) Trught J. Terry, Arbitrator    |
| AND                          | )                                |
|                              | ) Award issued: May 31, 2002     |
| POTTAWATTAMIE COUNTY DEPUTY, |                                  |
| SHERIFFS ASSOCIATION,        |                                  |
| EMPLOYEE ORGANIZATION.       | )                                |

FOR POTTAWATTAMIE COUNTY:

Gary Troutman, Bargaining Representative Justin Ferrin, Bargaining Representative

FOR DEPUTY SHERIFFS ASSN:

A.W. (Tony) Tauke, Attorney Angela Weatherhead, Attorney

### BACKGROUND

The Deputy Sheriffs Association represents a bargaining unit comprised of Pottawattamie County Deputy Sheriffs, Corporals and a Records Technician and Civil Clerk. There are 30 deputies (Court Security, Civil and Road), 3 Corporals, 1 Records Technician and 1 Civil Clerk. The parties have bargained collectively for several years. They are concluding a one year agreement, July 1, 2001 to June 30, 2002. Wages and Insurance for the current contract were resolved in arbitration. The parties have settled most of their impasse issues during bargaining this year. Wages and Insurance remain open. To resolve these issues, the parties have waived factfinding and fashioned independent impasse procedures which provide for final package arbitration under which the Arbitrator is required to select the entire proposal of one party or the other on the impasse issues that remain open. The parties have extended impasse time lines to allow for completion of the process. There are three other bargaining units in the County, Courthouse (AFSCME), Secondary Roads (AFSCME) and Detention Officers (Teamsters). A the time of this hearing the Courthouse and Secondary Road Units had settled their contracts. A hearing was held in Council Bluffs, Iowa on May 16, 2002. Following the presentation of testimony, written exhibits and argument, the hearing was closed on that date. In making the following award, I have considered the criteria set forth in Section 20.22 (9) of the Public Employment Relations Act.

## **IMPASSE ISSUES**

The Impasse Issues before the Arbitrator are: Wages and Insurance for the contract July 1, 2002 to June 30, 2003.

# PROPOSALS OF THE PARTIES

COUNTY PROPOSALS: The County proposes a 4% across the board wage increase for these employees and an increase in the monthly insurance contribution paid by these employees to \$25 for single health insurance and to \$100 for family health insurance.

ASSOCIATION PROPOSALS: The Association proposes that these employees receive an across the board wage increase of 4.75% and that their monthly insurance contributions be increased to \$15 for single insurance and to \$50 for family insurance.

## CURRENT CONTRACT

Wages: The current contract provides for 3 grades, 1- Criminal Records Technician, Civil Clerk, 2-Deputy Sheriff (Including Court Security Deputy, Civil Deputy and Road Deputy), 3-Corporal. There are 6 annual steps in each grade. Grade 1 (Criminal Records Technician, Civil Clerk) wages commence at \$22,069 (10.61/hour) and top out at \$28,246 (\$13.58/hour). Grade 2 (Deputy) wages start at \$31,699 (\$15.24/hour) and are paid \$40,602 (\$19.52/hour) at top step. Corporals start at \$32,365 (\$15.56/hour) and are paid a maximum of \$41,309 (\$19.86/hour). The parties agreed this year that Field Training Officers would be paid an additional \$65.00 per pay period. Last year employees in this bargaining unit received a 5.5% wage increase, the result of arbitration.

Insurance: Currently these employees are provided a group health insurance plan at a cost to them of \$10/month for single coverage and \$40/month for family coverage. The also have a term life insurance benefit of \$10,000, long term disability insurance and fully paid dental insurance for employees. Employees may elect either an HMO or a PPO plan. The PPO Plan provides for a single deductible of \$200 and a family deductible of \$400. Maximum out of pockets are \$500/single and \$1,000/family for the PPO and \$1,000/single and \$3,000/family for the HMO. Current premiums for the plans are: HMO single \$2,978.16/annual or \$248.13/month, HMO family \$6,552.24/annual or \$546.02/month, PPO single \$3,209.28/annual or \$267.47/month and PPO family \$7,060.56/annual or \$588.38/month. Premiums will increase by 18% for the next contract. Prior to the current contract, the employees were not required to contribute to their single coverage.

# CONTENTIONS OF THE PARTIES

The County contends that it has placed adequate monies on the table to fund next year's contract. It argues that its proposals of a 4% wage increase and requiring additional contribution by these employees for their health insurance of \$15/month for single insurance and \$60/month for family insurance are very reasonable in view of an 18% increase in insurance premiums. The County urges that internal comparisons strongly support its insurance proposal. All other groups of employees in the county, organized or not, will next year be at the insurance contribution level proposed by the County for this unit, \$25/month for single insurance and \$100/month for family insurance. Most other benefits are similar throughout the other county bargaining units. Two other Pottawattamie county bargaining units have settled for wage increases of 3.75%. The Detention Officers and the County were continuing negotiations at the time of this hearing. A 4% wage proposal has been made to them by the County.

Non bargaining county employees will receive a 4% wage increase. Employees in the Deputy Sheriffs Unit enjoy very favorable wages and benefits. Compared with similar employees in the other Iowa Counties (Johnson, Dubuque, Story, Black Hawk, Cerro Gordo, Woodbury, Clinton, Scott and the City of Council Bluffs), these employees fare well. The County's wage proposal will put the minimum deputy salary of \$15.85/hour 4.48% above the average of \$15.17/hour and the maximum of \$20.30/hour 1.11% above average, \$20.08/hour. The Records Technician and Civil Clerk would be .29% below average at start \$11.03/hour versus \$11.07/hour and 1.32% above the average of \$13.94/hour at maximum pay, \$14.12/hour. Comparing maximum salaries with a 4% wage increase and single health insurance increase of \$15/month and longevity factored in, Pottawatamie County's deputy salaries at \$21.54/hour would still be \$1.14/hour over average, \$20.40/hour. Figuring in a \$60/month increase in family insurance, these employees would still be \$.97/hour above average, \$21.10/hour versus \$20.13/hour.

The Association contends that awarding the County's position would mean an actual wage increase for these employees of 2½%, an inequitable wage adjustment this bargaining year. Its proposals would result in a net wage gain of 41/2%. The Association notes that employees will pay state, federal and social security taxes on the health insurance premiums, further reducing the net wage increase. Even employees electing to pay the premium pre-tax would still be subject to social security and would lose the benefit of having these wages calculated for their IPERS benefit. The Association notes that it is trying to maintain the ground that it has gained in past bargaining and that its proposals would allow it to do that. It notes that prior to last year these employees were not required to contribute to their single insurance. It now proposes to add \$5/month to that required contribution and \$10/month to that required for family insurance. The Association argues that internal comparisons don't really mean much here, that these employees have always had a different insurance benefit than other county employees. The Association's data indicated that starting deputies in Pottawattamie County would be at \$15.96/hour or 4.72% above the average starting deputy in comparable counties, \$15.24. Maximum salary for a deputy, \$20.49/hour would be 1.64% above average, \$20.11/hour. The same comparison for a Record Technician/Civil Clerk indicated that starting wage in Pottawatamie County (\$11.11/hour) was .36% above average (\$11.07) and top wages in Pottawattamie at \$14.23/hour was 1.86% above average, \$13.97/hour.

#### **DISCUSSION**

Under the parties impasse procedures, I must award the package of the party that I conclude to be the most reasonable before me. Although comparisons under the PERA are to be made primarily with other public employees doing comparable work, internal comparables have significance under the PERA under the phrase "other relevant factors". The data suggests that these employees are favorably compensated when compared with other similar employees. Most of the comparability data submitted places them above average in most categories. Two other bargaining units in Pottawattamie county have settled for a 3.75% wage increase. A 4% proposal is on the table for the Detention officers. Non bargaining employees will receive a 4% wage adjustment. All employees except for those in this unit contribute \$25/month toward the cost of single insurance and \$100/month toward the cost of family insurance. These employees currently pay \$10/month toward single insurance and \$40/month toward family insurance. The Association proposes that these contributions be increased to \$15/month and \$50/month. At first blush, these appear to be a significant increases, 50% and 25% respectively. This would be an additional cost of \$60/year for single insurance and \$120/year for family insurance required

of these employees. However, health insurance here will increase by 18%. This would mean a total increase of \$48.14/month or \$577.68/year on the single PPO premium and \$105.90/month or \$1,270.80/year on the family PPO. Similar increases on the HMO would be \$44.67/month or \$536.04/year single increase and \$98.29/month or \$1,179.48/year family increase. Employees everywhere are being required to shoulder a greater burden of their health insurance costs. This is a critical and increasingly expensive benefit. All other Pottawattamie county employees pay \$25/month and \$100/month toward their health insurance. Such is being requested by the county of these employees. In light of the dramatically increasing cost of this benefit, I conclude this to be a reasonable proposal. This combined with the County's proposed 4% wage increase will allow these employees to retain their relative position relative to wages of comparable employees. In sum, I conclude that the package proposal of the County is the most reasonable of the positions before me. It is awarded.

#### **AWARD**

County Proposal on Wages and Insurance: Wages: a 4% increase effective July 1, 2002. Insurance: Employees to pay \$25/month toward the cost of single insurance and \$100/month toward the cost of family insurance effective July 1, 2002.

Signed this 31st day of May, 2002

CERTIFICATE OF SERVICE

I certify that on the 31<sup>st</sup> day of May, 2002, I served the foregoing Award of Arbitrator upon each of the parties to this matter by mailing a copy to them at their respective addresses as shown below:

Gary Troutman
Gary Troutman and Associates
14217 Dayton Circle Suite 8
Omaha, Nebraska 68137

A.W. (Tony) Tauke Attorney At Law 500 West Broadway, Suite 201 Council Bluffs, Iowa 51502

I further certify that on the 31<sup>st</sup> day of May, 2002, I will submit this award for filing by mailing it to the Iowa Public Employment Relations Board, 514 East Locust Street, Suite 202, Des Moines, Iowa 50309.

Hugh J. Perry Arbitrato